



A PROFESSIONAL  
LAW CORPORATION

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August 21, 2002

Michael J. Malmquist

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**BY HAND DELIVERY**

D. Wayne Hedberg  
Permit Supervisor  
Mineral Regulatory Program  
Division of Oil, Gas and Mining  
1594 West North Temple, Suite 1210  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

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AUG 21 2002

DIVISION OF  
OIL, GAS AND MINING

**Re: Replacement Bond (SAFECO Bond No. (M/045/021) for Quarry Antone**

Dear Wayne:

On behalf of Utah Portland Quarries, Inc. ("Utah Portland"), enclosed are the executed originals of the replacement reclamation bond and reclamation contract for the above-referenced mine. The bond and contract are in the amount of \$49,900 (escalated) for the reclamation of approximately 13.3 acres of permitted disturbance. The bond is issued by SAFECO Insurance Company of American (Bond No. ) and replaces National Union Fire Insurance Company Bond No. 1

The bond amount of \$49,900 is as specified in the June 24, 2002 letter from the Division of Oil, Gas and Mining ("Division") to Lone Star Industries, Inc. (Utah Portland's parent corporation), which amount was mutually agreed upon by the Division and Utah Portland after a field inspection and an update and reassessment of estimated reclamation costs. The disturbed acreage figure of 13.3 acres was taken from the approved Notice of Intention and, as we discussed by phone, is the correct figure for permitted disturbance at the mine, whereas the figure of 8.0 acres of permitted disturbance in the Division's June 24<sup>th</sup> was in error.

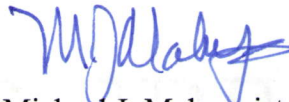
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SAFECO Insurance Company of America, the bond surety, is licensed in Utah, is listed as an acceptable surety company in the most recent version of the Treasury Department's Circular 570,<sup>1</sup> and has an "A" rating from A.M. Best's Key Rating Guide,<sup>2</sup> as required by Utah Administrative Code R647-4-113 (4.11).

Assuming that the replacement bond and reclamation contract are acceptable and are approved by the Division, please send Utah Portland and me a copy of the Division's signature pages for inclusion in our files. If you have any questions, please give me a call at (801) 536-6658.

Sincerely yours,

Parsons Behle & Latimer



Michael J. Malmquist

MJM/cvd

Enclosures

cc: Gregory J. Morical  
Harry M. Philip

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OIL, GAS AND MINING

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<sup>1</sup> See <http://www.fms.treas.gov/c570/c570.html>

<sup>2</sup> See <http://www3.ambest.com/Frames/Frameserver.asp?site=ratings&Tab=2&RefNum=2448&AltNum=0&AltSrc=0&BR=&URATINGID=539797>